

Education circular

DATE 13 September 2008

CIRCULAR 2007/16

CATEGORY Resourcing

Resourcing for 2008

- THIS CIRCULAR IS ABOUT:** Operational funding and staffing for 2008.
- THE ACTION REQUIRED IS:** Use the information contained in this circular for planning for 2008.
- IT IS INTENDED FOR:** Chairpersons of Board of Trustees and Principals in all state and state integrated schools.
- FOR FURTHER INFORMATION:** www.minedu.govt.nz/goto/resourcinghandbook for the *Funding, Staffing and Allowances Handbook* for state and state integrated schools.
- www.minedu.govt.nz/goto/resourcing2008 for Budget announcements related to operational funding for 2008.
- www.minedu.govt.nz/goto/circulars for copies of school circulars.

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Introduction

This circular provides boards with information about funding and staffing for 2008.

Enclosed with this circular is:

- October 2007 operational funding instalment notice. If your operational funding entitlement for 2007 has changed since the July instalment, you will also receive an updated entitlement notice.
- A provisional operational funding entitlement notice for 2008 (pink).
- A provisional staffing entitlement notice for 2008 (pink).
- Primary and area schools will receive a letter regarding the implementation of the Year 1 1:18 staffing improvement.

2008 Operational Funding

Rate changes

Most operational funding components have been increased by 4% for 2008. These include:

- Base funding
- Per-pupil funding
- Decile-related funding

An increase of 4% has also been applied to the funding pools used to resource the components:

- Heat, light and water (adjusted on a case-by-case basis on application for review)
- Board of trustee election expenses
- Setting-up grants for new schools and classrooms built because of roll growth

There will be an increase of 4% to the funding available for the following components, which do not go to all schools:

- Targeted Funding for Isolation (TFI)
- Secondary Tertiary Alignment Resource (STAR)
- Administration and travel grants for resource teachers
- Administration grant for out of hours music and art classes

Decile

A school's decile indicates the extent to which the school draws its students from low social-economic communities. The decile calculation is based on census data from the areas from which a school's students are drawn, and uses five measures in the calculation. These measures are: household income, occupation, household crowding, educational qualifications and income support received.

Two of these measures have been modified by Statistics New Zealand to ensure they better represent what is being measured. This means that decile ratings of schools will better reflect the socio-economic position of their communities. The measures changed are:

- 1 household crowding; changed from an average number of persons per bedroom to an equivalent crowding index taking into account the makeup of the household in relation to the number of rooms
- 2 occupation measure; which has changed from occupation group to occupation skill level, allowing for a wider range of occupations to be captured.

The sampling methodology now includes all students, rather than the sample approach previously used.

Together these changes will ensure that deciles are current and reflect the socio-economic composition of school rolls. These changes will also ensure that the funding intended to overcome educational disadvantage in low socio-economic areas is correctly targeted and at the right level.

Deciles for all schools have now been recalibrated. Your new decile is included in, and been applied to, the enclosed advice notices. As with the decile changes based on the 2001 census, about two thirds of schools have changed decile, with about half of these schools increasing decile and half reducing their decile. As a result of these changes a number of schools will have changes to their decile related funding.

Schools that can show there has been a significant change in their roll profile within the last 12 months may wish to apply to the Ministry of Education for a decile review.

Further information and a decile review application pack is available from the Ministry of Education's National Office. The closing date for applications is Friday 26th October 2007. Please contact Geoff Kaandorp, phone (04) 463 7504; e-mail: geoff.kaandorp@minedu.govt.nz or write c/- National Operations, Ministry of Education, Box 1666, Thorndon, Wellington.

Targeted Funding for Isolation

Schools in isolated areas receive additional operational funding to recognise the extra costs of accessing the goods and services due to their relative isolation.

The formula uses an isolation index calculated using the distance of the school from population centres of 5000, 20,000 and 100,000. The 2006 census has resulted in changes in the population of a number of centres on which the isolation index is calculated. This has resulted in a change to the isolation index of some schools and, consequently, their targeted funding for isolation.

Staffing

1:18 Staffing

Earlier this year the Minister of Education, Hon Steve Maharey, announced a reduction in the Teacher:Student ratio for year one students from 1:23 to 1:18, effective from 23 April 2008.

Once fully operational, this change is estimated to increase the total number of teachers in schools teaching year one students by approximately 700 additional Full Time Teacher Equivalents (FTTE). This additional teacher resource is being provided to support new entrants to settle well into school and gain good early learning foundations, particularly in literacy and numeracy.

Changes to Roll Return (March Prediction)

In the recent July roll return Primary and Special Schools were requested to predict their likely roll as at 1 March. A further question was asked for boards to predict the number of new entrants likely to enrol between 1st March and 10th October 2008. This change has been made to ensure the most accurate data is available to the ministry, for input into the estimate of the 10th October roll.

Requests for Review of Predicted Resourcing Roll

Boards may apply in writing for a review of their predicted resourcing roll if they consider there are other factors impacting on the ministry's prediction that may not have been taken into account.

Boards will be required to demonstrate that the ministry's estimate of the predicted resourcing roll is at least 5% at variance with that of the board. Clear evidence supporting this variance will need to be provided before the ministry will consider approving a change. A list of projected enrolments alone will not be sufficient.

The 2008 Provisional Staffing Roll Review Form is available on www.minedu.govt.nz/goto/resourcingforms/ until 15 October 2007.

The following table details how to apply for a review of your 2008 predicted resourcing roll:

If you are a...	Then submit completed '2007 Predicted Resourcing Roll Review' form to...	By...
Primary school	Ministry local office	15 October 2007.
Intermediate school	Ministry local office	15 October 2007.
Area/Composite school	Resourcing Division, Wellington	15 October 2007.
Secondary school	Resourcing Division, Wellington	15 October 2007.
Special schools	Resourcing Division, Wellington	15 October 2007.
2008 Predicted Resourcing Roll Review forms are available from www.minedu.govt.nz/goto/resourcingforms		

Staffing Reduction

Responsibility for reducing staffing lies with school boards. Assistance, if required, should be sought from the New Zealand School Trustees Association (NZSTA). The ministry is not involved in the staffing reduction process, except to give prior approval to access the surplus staffing provisions (supernumerary allowance, retraining course approval, severance payments and long service payments).

Please note that prior consultation with the Manager, Determination & Delivery, Resourcing Division, should be had before any discussion is held with a teacher identified as surplus around them accessing the severance or long service payment provisions of the Primary Teachers' Collective Agreement.

The ministry will fund surplus staffing costs only under certain conditions, and where procedures have been actioned within the timelines and guidelines notified by the Resourcing Division. Please refer to the *Funding, Staffing and Allowances Handbook* (www.minedu.govt.nz/goto/resourcinghandbook) for full details. If you require further clarification after reading the information in the Handbook, please contact the Resourcing Division.

The following table details time frames for surplus staffing procedures.

If the school type is...	Then identified staff must be notified...	And surplus staffing details must be confirmed with the ministry...
Primary school Intermediate school	In writing, before the end of the 2008 school year	On a completed Surplus Staffing Report Form, no later than 8 December 2007.
Secondary School Area/composite school	In writing, at least two months before the beginning of the 2008 school year	On a completed Surplus Staffing Report Form as soon as details are known.
Surplus Staffing Report Forms are available from www.minedu.govt.nz/goto/resourcingforms		

Classroom Release Time (Primary Schools)

Classroom release time is allocated to primary schools using the calculation process and formula described in Chapter Two of the Funding, Staffing and Allowances Handbook. No other resourcing is provided.

International Student Levy

Payment of Levy

From 2008 the International Student Levy (ISL) will apply to state integrated schools as well as state schools. The ministry levies a charge on state and state integrated schools for each international fee-paying student enrolled. Schools are only charged for the period of time for which each international student is enrolled. As schools can now record the tuition weeks that the international fee-paying students are enrolled, the levy will be calculated by multiplying the enrolled weeks by a weekly rate:

School type	Weekly rate
Primary & Intermediate	\$22.50 per week
Secondary/Composite/Special	\$23.00 per week

For international fee-paying students recorded on the 1 March roll return and additional students recorded on the 1 July roll return the levy is debited from the school's operational funding.

For international fee-paying students recorded on:	Tax Invoice is printed in:
The 1 March roll return	July operational funding instalment.
The 1 July roll return (applies only to students who started after 1 March)	October operational funding instalment.

Schools enrolling additional international fee-paying students outside the roll return dates of 1 March and 1 July (e.g. during terms three & four, or for short periods between 1 March and 1 July) will be sent an **RS15 International Student Levy Refund and/or Payment Form**. In order to reduce compliance for schools the RS15 form will be pre-printed with the names and start and end dates of any additional fee-paying students a school has enrolled outside the roll return dates. The source of this data will be the ENROL database. The RS15 is in the form of an Excel spreadsheet which will be e-mailed to you. Schools will need to type in the tuition fees for each of the students listed, save the file and then e-mail it back to the Administrator of the International Students Levies.

Refund of Levy

Schools may apply for a refund where an international fee-paying student recorded on the 1 March roll return withdraws from the school early or their status changes to domestic during the year and the school refunds the proportion of the tuition fees.

Schools need to complete an electronic **RS15 International Student Levy Refund** form. This form can be downloaded from the Ministry of Education website at www.minedu.govt.nz/goto/resourcingforms

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